



# **EC LAW AND TAX TREATIES: POSSIBLE SOLUTIONS**

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# LEGAL INSTRUMENT

- MULTILATERAL TREATY?
- DIRECTIVE ON THE COORDINATION OF TAXING RIGHTS



## CONTENTS OF A DIRECTIVE (I)

- OECD MODEL CONVENTION AS A STARTING POINT
- TREATY BENEFITS FOR NON-RESIDENTS
- RECONSIDERING THE DISTRIBUTIVE RULES (E.G. STATE OF THE FUND PRINCIPLE IN ART 19 OECD MODEL)



## CONTENTS OF A DIRECTIVE (II)

- NO SOURCE RULES PROVIDING FOR WITHHOLDING TAX RATES ON A GROSS BASIS
- CREDIT OR EXEMPTION METHOD: RESIDENT STATES HAVE TO BE CONSISTENT
- ECJ TO BE COMPETENT



# NON-MEMBER STATES RELATIONS

- EU NEGOTIATES TAX TREATIES (INSTEAD OF MEMBER STATES)
- COMPETENCE OF THE EU (EATR CASE LAW)
- COORDINATED TAX TREATY POLICY TOWARDS NON-MEMBER STATES
- CONTENTS: EFFECTS OF FREEDOMS